Railways up to 31.3.2001 (Budget Estimates) is Rs. 35,634 cr. Out of this, the Capital-at-charge, on which dividend is payable, is Rs. 32,500.47 cr. after excluding the dividend-free Captial on the Metropolitan Transport Projects. Railways currently pay dividend at the rate of 7% to Government in accordance with the recommendations of the Railway Convention Committee of Parliament. Certain reliefs in payment of dividend, commonly referred to and exhibited as subsidy, are also available, mainly on the capital invested in Northeast region, uneconomic branch lines, strategic lines and certain other new lines taken up on other than financial consideration. In 2000-01 (BE), the dividend payable to Government and the explicit subsidy thereon comes to Rs. 2115 cr and Rs. 795 cr, respectively. This element of subsidy does reduce the effective rate of dividend charged to the Railways. It is based upon a consideration of the nature of certain Railway investments, of which some cannot generate commercial returns or are loss-making. In making such investments and maintaining such operations, Railways serve a social purpose without being entirely commercial in approach. However, in order to strengthen their financial position for raising their capacity for investments on modernisation, safety, passenger amenities, replacements and renewals etc., Railways have undertaken various measures as detailed in (c) below.

(c) Railways are taking steps to both control expenditure and increase revenues. Measures to control expenditure by improving staff productivity, assets utilisation, inventory management, fuel consumption, austerity in areas such as travel, publicity, hospitality etc. are being implemented. In earnings, healthy growth is expected from the improved economic scenario & aggressive marketing with improved freight services & commercial incentives. Non-traditional sources of revenue such as leasing of railways' right of way for Optic Fibre Cable communication, commercial utilisation of railway land and air space, advertising rights at stations and on rolling stock etc. are also expected to contribute to improve the earnings. Besides, all efforts are being made to curb leakage of revenue and pilferages.

Trains on Unremunerative Routes

5152. SHRI BALWANT SINGH RAMOOWALIA:
DR. D. MASTHAN:

Will the Minister of RAILWAYS be pleased to state:

(a) whether it is a fact that Railways have to run trains on various unremunerative routes too;

(b) if so, the total number of such unremunerative routes;

(c) the total losses incurred on the said routes till the end of March, 2000 by running trains on them;

(d) whether administration has made any efforts in the recent past to convert unremunerative routes into remunerative ones; and

(e) if so, the number of such routes which have been converted into remunerative ones?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI DIGVIJAY SINGH): (a) Yes, Sir.

(b) As per the financial results of 1998-99, 125 lines were assessed to be unremunerative.

(c) Railways suffered a loss of Rs. 377 Crore on the working of these lines during 1998-99. The figures for the year 1999-2000 are not available.

(d) and (e) In addition to the commercial aspect of its operations, Railways also have to carry out social service obligations. The commercial aspects do not always dictate the continuation of operation on a particular sector. In such unremunerative sectors, the Railways are taking a number of economy measures which include curtailment in staff, number of train services and reduction in infrastructure. These measures are taken to contain losses to the extent possible.

Regular Shuttle Service to Borra Caves in Andhra Pradesh

5153. DR. Y. LAKSHMI PRASAD: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government proposed to run regular shuttle service to Borra Caves, a major tourist attraction site in Andhra Pradesh;

(b) whether the Railway authorities also allot land there to develop hotels and restaurants to boost tourism;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI DIGVIJAY SINGH): (a) No, Sir, However, a one day Rail Road Package tour by 1 VK Passenger train from Visakhapatnam to Borraguhalu and Araku and back to Visakhapatnam is being conducted on weekends and holidays.